

Japan needs to modernise economy, says OECD

0.8pc GDP growth predicted for next year

AFP, Tokyo
Japan needs to carry out drastic reforms to modernise the economy, fix weak banks and fight deflation if it is to restore sustainable economic growth, the OECD said Tuesday.
But Prime Minister Junichiro Koizumi must overcome stiff opposition from old-guard politicians who have vested interests in preventing change, the Organisation for Economic Cooperation and Development (OECD) said in its annual report on the world's second

largest economy.
"There's no future unless they go through this," OECD economist Yutaka Imai told a news conference.
An export-led cyclical recovery this year was fast running out of steam, while a steep slump in share prices, a rise in the yen and waning demand both at home and abroad threatened to stifle growth prospects in 2003, the Paris-based grouping of developed countries said.
"All in all, the economy may grow by only around a half to one percent

per annum to the end of 2004 with deflation continuing," the report said.
The OECD said Japan's economy is expected to grow 0.8 percent next year after shrinking 0.7 percent in 2002.
"But the balance of risks is now on the downside given signs of slower growth in the world economy and the possibility of a further deterioration in financial conditions, which might lead to a worsening of deflation," it said.
"Thus Japan continues to be

faced with the daunting challenge of radically and quickly improving the functioning of its economic system and halting deflation."
Last month, Koizumi endorsed a plan to halve the ratio of bad loans at banks -- cited as a root cause of the nation's 12-year economic malaise -- by March 2005.
The premier also unveiled measures to support struggling companies as well as the unemployed, with bankruptcies expected to rise as banks turn off credit to non-performing borrowers.

Jordan shortlists three firms for oil pipeline from Iraq

AFP, Amman

Jordan has shortlisted three firms to build an oil pipeline capable of carrying 150,000 barrels of crude oil a day from Iraq, a top official said in remarks published Tuesday.
The tender will be awarded in January while financial close has been set for May 2003 and the pipeline is due to come on stream at the end of 2004, energy ministry secretary general Azmi Khreissat told the Al-Arab Al-Yawm daily.
The scheme involves the construction of a 300-kilometre (190-mile) pipeline from the Iraqi border to the Zarqa refinery, northeast of Amman, as well as a plant to pump

and stock the crude.
Khreissat said Jordan was currently evaluating the rival bids from Oman, Russia and Britain with the project's German-Austrian consultants ILF Consulting Engineers and Iraqi officials.
He said the project would be carried out on a build-own-operate-transfer (BOOT) basis.
Jordan depends on Iraq for all its oil supplies and is due to import 5.5 million tonnes by year's end, half of it free of charge and the rest at preferential rates.
The oil is currently transported overland by tanker trucks, putting huge pressure on the road link between Amman and Baghdad.

FDI in S'pore rises by 16pc

AFP, Singapore
Total cumulative foreign direct investment (FDI) in Singapore rose 16 percent from the previous year to 196 billion Singapore dollars (111.4 billion US) by the end of 2000, according to government figures released Tuesday.
The United States, the island's second largest trading partner after Malaysia, was the biggest contributor with an 18 percent share of the total, the department of statistics said.
The US direct investment was predominantly in financial services and manufacturing, it said.
Japan and the Netherlands both accounted for 15 percent of the FDI.
Europe as a region was by far the biggest source of FDI, contributing 38 percent of the flow into Singapore, followed by Asia which accounted for 25 percent.
"Since 1997, it (Europe) has overtaken Asia as the largest source of foreign direct investment," the report said, pointing out the Netherlands, Switzerland and Britain were the biggest European investors.
Japan, Malaysia and Hong Kong were listed as the main Asian investors.
The total foreign equity investment, made up of both FDI and portfolio equity investment, reached 189 billion dollars by the end of 2000, up 24 billion dollars or 15 percent from the previous year, the report said.

Asian airfares stabilise, but volatility ahead

AFP, Singapore

Airfares in the Asia-Pacific are showing their first signs of stability in 18 months, but it may be a short-lived respite, according to a report released Tuesday.
Terrorist attacks, concerns about a war in Iraq and rising oil prices threaten further hikes in air travel, the latest edition of the American Express Asia-Pacific Airfare Index said.
Despite signs of stability, "there is potential for volatility in the months to come", said Jim Georges,

regional director of American Express Consulting, Asia Pacific.
"Cost factors such as rising oil prices, anxiety about Iraq and poor airline profitability may make stability in airfares short-lived."
"Also, recent terrorist attacks in Bali and the Philippines, and associated travel warnings issued by the US, the UK and Australia, may impact heavily on non-essential travel to some destinations in the Asia-Pacific region."

Increases in all seat classes for the fourth quarter of this year are between zero and 0.5 percent, down from third-quarter increases of 1.0 to 1.5 percent, it said.
The survey tracks published fares on the first day of each quarter in six seat categories on 165 routes originating in the Asia-Pacific region.
Despite signs of stability, "there is potential for volatility in the months to come", said Jim Georges,



PHOTO: AL BARAKA BANK
A conference of chief executives and high officials of different Islamic financial institutions was held in Kuala Lumpur recently to form Islamic Financial Services Board (IFSB). C M Koyes Sami, executive president of Al Baraka Bank Bangladesh Limited, attended the conference. He is seen in the picture with Zeti Akhter Aziz, governor of Bank Negara Malaysia, and Prof Rifaat Ahmed Abdel Karim, secretary general of IFSB.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	Currency	Buying	TT Clean	OD Sight Doc	OD Transfer
TT/OD	BC	USD	58.3000	58.1288	58.0592
59.2000	59.2500	USD	58.3000	58.1288	58.0592
60.4610	60.5120	EUR	58.1134	57.9427	57.8734
94.3470	94.4267	GBP	91.4785	91.2098	91.1007
33.8802	33.9088	AUD	32.1699	32.0754	32.0371
0.4954	0.4958	JPY	0.4788	0.4774	0.4768
40.9830	41.0177	CHF	39.8224	39.7054	39.6579
6.5946	6.6002	SEK	6.4763	6.4573	6.4496
37.4897	37.5214	CAD	36.4808	36.3737	36.3301
7.5976	7.6041	HKD	7.4673	7.4453	7.4364
33.7168	33.7453	SGD	32.9230	32.8263	32.7870
16.2499	16.2636	AED	15.7444	15.6982	15.6794
15.9118	15.9253	SAR	15.4229	15.3776	15.3592

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.18	58.325	96.3	43.395	7.2475	0.4971	3.80

Local Interbank FX Trading:
The local interbank foreign exchange market was active yesterday. USD was steady against Bangladeshi taka on Tuesday as demand for the USD was offset by increased supply of USD from export. BDT was quoted as 58.95/59.03 against the USD compared with 58.95/59.05 previously.
Local Money Market:
Demand for overnight borrowing was moderate. Call money rate remained steady and ranged between 6.50-7.00 per cent today compared with 6.00-7.00 per cent Monday.
International Market:
The yen hit one-week lows against the dollar and the euro at New York on Monday, weighed down by corporate scandals, fears about Japan's ailing banks and signs that Tokyo may have to resort to extra spending to support the struggling economy. Later, the dollar slipped from the earlier highs against the yen in Asia on Tuesday as uncertainty over Iraq weighed, but selling was limited due to growing concerns over Japanese banks. The greenback briefly rose to a session high of 121.20 yen after confusing comments from Japanese Finance Minister Shioikawa spurred speculation of possible intervention. Shioikawa later clarified his comments, saying that he wanted the BOJ to refrain from absorbing excess yen funds created by currency intervention in the government decided to step into the forex market. Euro and sterling firmed slightly against the dollar.
At 1520 hours on Tuesday, euro was traded at 1.0127/29, GBP at 1.5874/79 and yen at 120.88/96 against the dollar.

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SHIPPING

Chittagong port

Berth position and performance of vessels as on 19.11.2002.

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/1	Regal Star	Sugar	Tuti	Mutual	2/11	23/11	1037
J/2	Trade Nes	BHW Pulf	Vish	Saecom	17/11	19/11	778
J/3	Amalfi	C Clink	Lumut	OLM	4/11	22/11	2097
J/4	Piran	GI	P Kel	Prog	16/11	19/11	3045
J/5	Al Muztuba	Sugar	Mumb	CLA	11/11	23/11	1148
J/6	Ocean Pride	GI	Yang	PSAL	30/10	19/11	438
J/7	Jin Cheng	GI	Winc	Bdship	10/11	19/11	2700

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Wind Grand	19/11	Yang	Everett	GI	-
Kota Berjaya	19/11	Sing	PI (BD)	Cont	Sing
Myeik	19/11	Kaki	Mutual	Rice	-
Yun Ling	20/11	-	Rainbow	GI	-
The Beneficent	20/11	Kaki	Total	Rice	-
Banglar Doot	21/11	Yang	Royal	GI	-
Banglar Kallol	20/11	-	BSC	GI	-
Oc Lark	20/11	P Kel	QCQL	Cont	P Kel
Haneburg	20/11	Sing	PI (BD)	Cont	Sing
Handy Fabiana	20/11	Indo	BSL	C Clink	-
Pathein	21/11	Yang	MTA	GI	-
Sagaing	21/11	Yang	Everett	GI	-
Boxer Capt Cook	21/11	P Kel	PSSL	Cont	Sing
An Shun Jiang	20/11	Shanghai	Bdship	GI	-
Kota Naga	21/11	Sing	PI (BD)	Cont	Sing
Pearl of Baharin	21/11	Koshi	Uniship	C Clink	-
Banga Birol	22/11	Sing	Bdship	Cont	Sing
Xpress Manaslu	22/11	P Kel	RSL	Cont	Sing
Midwest Angela	22/11	-	Everbest	-	-
Banga Borak	22/11	P Kel	Bdship	Cont	Sing
Stavanger Prince	22/11	Sing	OTBL	-	-
Pearl Marine	22/11	Sing	OTBL	-	-
Tug Britoil-27	22/11	Sing	OTBL	-	-
Tug Tiong Woon Ocean	22/11	Sing	OTBL	S Maxita	-
Aft Section Maxita	22/11	Sing	OTBL	Scraping	-
Bangalar Moni	23/11	Sing	BSC	Cont	Mgi
Banga Barta	23/11	Hal	Baridhi	Cont	Col
Mardios	24/11	P Kel	RSL	Cont	Sing
Kota Chaya	24/11	Sing	PI (BD)	Cont	Sing
QC Honour	24/11	P Kel	QCQL	Cont	Col
Jaami	24/11	-	Everbest	Cont	Col
Banga Lanka	25/11	Sing	Bdship	Cont	Sing
Banga Borak	25/11	P Kel	Bdship	Cont	Sing

Vessels at Kutubdia

Dea Captain	-	-	Arafeen	R/A
Danat Qatar	Crude Oil	Rast	USS	13/11
Banglar Joyti	-	-	BSC	R/A

Vessels at outer anchorage Ready On

Handy Sea	Gr. Slag	Visa	Move	9/11
Lecharfling	GI	Dali	MTCL	10/11
Hans Jaijay	Sugar	Tuti	Mutual	10/11
Mawlamyins	Sugar	Mumb	Angelic	12/11
Pinya	GI	Yang	MTA	12/11
Nikos	CDSO	Durb	USL	18/11
QC Dignity	Cont	P Kel	QCQL	18/11
Heilas Fos	HSD	Yanpo	EOSL	18/11
Monalisa	-	-	-	-

Movement of vessels for 20-11-2002

	Outgoing	Incoming	Shifting
J/1	Xp. Resolve	CCT/1	K Berjaya
CCT/1	Asimont	J/11	Hane Burg
CCT/2	Qc Teal	DOJ	B Shourabh
RM/15	A. Victory	RM/3	Monalisa
RM/4	Petrolimex		
DOJ	B Jyoti		
RM/9	Gyda		

The above are shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

STOCK